

## ENABLING/SUPPORT PROGRAMS

### Enabling/Support programs (Dollars in Thousands)

#### Office of Air and Radiation

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Protection of EPA Personnel and Infrastructure	\$0.0	\$600.0	\$600.0

#### Office of Solid Waste and Emergency Response

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Protection of EPA Personnel and Infrastructure	\$0.0	\$600.0	\$600.0

#### Office of Enforcement and Compliance Assurance

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Congressional, Intergovernmental, External Relations	\$1,807.3	\$2,253.3	\$2,467.2
IT / Data Management	\$22,244.7	\$25,641.1	\$26,261.9

#### Office of Administration and Resources Management

Program Project	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.
Homeland Security: Protection of EPA Personnel and Infrastructure	\$39,968.1	\$19,288.0	\$19,309.3
Facilities Infrastructure and Operations	\$385,000.8	\$418,840.5	\$439,297.8
Acquisition Management	\$40,740.9	\$41,846.3	\$43,659.5
Human Resources Management	\$46,491.7	\$49,191.0	\$48,553.1
Financial Assistance Grants / IAG Management	\$17,792.2	\$20,313.4	\$23,262.1

**ANNUAL PERFORMANCE GOALS AND MEASURES****Energy Consumption Reduction**

In 2005 By 2005, EPA will achieve a 20% energy consumption reduction from 1990 in its 21 laboratories which is in line to meet the 2005 requirement of a 20% reduction from the 1990 base. This includes Green Power purchases.

In 2004 By 2004, EPA will achieve a 16% energy consumption reduction from 1990 in its 21 laboratories which is in line to meet the 2005 requirement of a 20% reduction from the 1990 base. This includes Green Power purchases.

In 2003 The Agency achieved 15.3% energy consumption reduction from 1990 in its 21 laboratories.

<b>Performance Measures:</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>	
Cumulative percentage reduction in energy consumption (from 1990).	15.3	16	20	Percent

Baseline: In FY 2000, energy consumption of British Thermal Units (BTUs) per square foot is 320,000 BTUs per square foot.

**VERIFICATION AND VALIDATION OF PERFORMANCE MEASURES**

**Performance Measure:** Cumulative percentage reduction in energy consumption in EPA's 21 laboratories from the 1990 base.

**Performance Database:** The Agency's contractor receives energy bills regularly – either monthly or quarterly – from the utility companies. This information is compiled in the contractor's database and provided to the Agency quarterly and annually. The contractor is responsible for validating the data.

**Data Source:** Energy bills from the utility companies, as compiled by the Agency's contractor.

**QA/QC Procedures:** Agency staff/contractor review utility bills from laboratories.

**Data Quality Review:** EPA's Sustainable Facilities Practices Branch.

**Data Limitations:** N/A

**New/Improved Data or Systems:** N/A

**References:** N/A

**Data Source:** The Office of Human Resources and Organizational Services (OHROS) will assist Program Offices in determining their demand for future mission-critical skills and competencies, identifying their gaps, and developing a methodology for filling the gaps. This information will be entered by the Program Offices into the Agency's Workforce Planning module in PeoplePlus, the Agency's integrated human resources/time&labor/payroll system.

**QA/QC Procedures:** The information will be verified through collaboration with Program Managers, e.g., through focus groups.

**Data Quality Review:** N/A

**Data Limitations:** Some of the data, like a determination of current competencies and skills, will be generated by employees themselves.

**New/Improved Data or Systems:** PeoplePlus is the Agency's new integrated system set to go live in early October 2003.

**References:** <http://intranet.epa.gov/institute/wds/planning.htm>

**Office of Environmental Information**

<b>Program Project</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>
Homeland Security: Communication and Information	\$0.0	\$3,820.3	\$3,820.3
Exchange Network	\$21,282.4	\$33,295.3	\$27,762.2
Information Security	\$21,516.2	\$13,337.4	\$4,697.2
IT / Data Management	\$86,198.4	\$112,124.9	\$130,019.6

In FY 2005, EPA proposes increased focus on the following five critical areas:

- Address critical technology gaps affecting EPA's ability to deliver information access consistently where interfacing with external partners is an essential dimension of operations.
- Deliver a high speed network and information technology (IT) infrastructure that has the capacity to handle the massive amounts of data needed to perform environmental analyses, support environmental decision making, and share environmental data with partners inside and outside EPA.
- Improve management and reduce the cost of IT investments to modernize Agency technology and information infrastructure through adoption of sound investment strategies and architecture planning, consistent with the President's Management Agenda (PMA) and e-Gov concepts<sup>1</sup>.
- Implement cyber-security for environmental information to assess and mitigate highest priority risks, address critical homeland security requirements, and ensure reliable, secure information access for all EPA personnel, emergency responders (EPA and local), and all external partners.
- Enhance EPA's Web site management procedures and processes to keep pace with technological advances as well as homeland defense concerns on the disclosure of certain information, and the public's demand for access to environmental information.

EPA's Chief Information Officer (CIO) will continue to pursue a strategy which supports a strong Agency architecture program and investment management process as outlined by the Federal CIO Council and required by the Clinger-Cohen Act. Our approach to information will allow EPA to collect and share data while making key information, technology, and funding decisions at an enterprise-wide level and strengthening the efficiency and effectiveness of the governance structure and operations.

The vast majority of environmental data are collected by states and tribes, not directly by EPA. Through a five-year partnership effort, EPA is working with states and tribes to develop an internet-based Environmental Information Exchange Network (Exchange Network). The Exchange Network is the means by which EPA and our partners are migrating from antiquated, inaccessible, "stove pipe" data systems (or sometimes even paper systems) to digital, high quality, integrated environmental information systems. These new systems, with their "network portals" allow multiple types of data to be exchanged over the internet between EPA, states, tribes, the regulated community, and the public. The Exchange Network was conceived and designed by EPA and the states to enhance environmental decision making at the Federal, state, and local level. It increases the availability of data, ensures better data quality and accuracy, maintains security of sensitive data, prevents avoidance of redundant data, and reduces the burden on those who provide and those who access data. It is an effort which supports both public servants and private citizens' environmental choices.

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<sup>1</sup> Office of Management and Budget. "The President's Management Agenda." Available (or accessible) only through the Internet: <http://www.whitehouse.gov/omb/budget/fy2002/mgmt.pdf>

In addition to the value inter-governmental partnerships and environmental information exchange provide to environmental policy making, EPA and others also benefit from the economies of scale and efficiencies which improve the quality of services and drive down the cost of basic government functions. The Agency's enterprise-wide investment and planning will result in improved services beyond the institutional boundaries of EPA. The PMA's e-Gov efforts seek to simplify processes and unify operations to better serve citizens' needs. EPA will continue its efforts to implement this vision, and eliminate redundancies and overlap. Specific activities include small business compliance, payroll, geospatial information, online rulemaking, and other enterprise-wide resource functions.

## **ANNUAL PERFORMANCE GOALS AND MEASURES**

### **Information Exchange Network**

In 2005      Improve the quality, comparability, and availability of environmental data for sound environmental decision-making through the Central Data Exchange (CDX).

In 2004      Improve the quality, comparability, and availability of environmental data for sound environmental decision-making through the Central Data Exchange (CDX).

In 2003      Continued to improve data access to ensure that decision makers have access to the environmental data that EPA collects and manages to make sound environmental decisions while minimizing the reporting burden on data providers.

#### **Performance Measures:**

	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>	
States using the Central Data Exchange (CDX) to send data to EPA.	49			States
CDX will fully support electronic data exchange requirements for major EPA environmental systems, enabling faster receipt, processing, and quality checking of data.			12	Systems
States will be able to exchange data with CDX through state nodes in real time, using new web-based data standards that allow for automated data-quality checking.			40	States
States, tribes, laboratories, and others will choose to use CDX to report environmental data electronically to EPA, taking advantage of automated data quality checks and on-line customer support.			20,000	Users
Customer help desk calls are resolved in a timely manner.			96	Percent
In preparation for increasing the exchange of information through CDX, implement four data standards in 13 major systems and develop four additional standards in 2003.	7			Data Standards
Number of private sector and local government entities, such as water authorities, will use CDX to exchange environmental data with EPA.		2000		Entities
CDX offers online data exchange for all major national systems by the end of FY 2004.		13		Systems
Number of states using CDX as the means by which they routinely exchange environmental data with two or more EPA media programs or Regions.		46		States

Baseline:      The Central Data Exchange program began in FY 2001.

### **Data Quality**

In 2005      EPA increasingly uses environmental indicators to inform the public and manage for results.

In 2005      EPA will improve the quality and scope of information available to the public for environmental decision-making.

In 2004 EPA increasingly uses environmental indicators to inform the public and manage for results.

In 2003 The public had access to a wide range of Federal, state, and local information about local environmental conditions and features in an area of their choice.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Establish an improved suite of environmental indicators for use by EPA's programs and partners in the Agency's strategic planning and performance measurement process.			1	Report
Responders to the baseline questionnaire on customer satisfaction on the EPA Website report overall satisfaction with their visit to EPA.GOV.			60	Percent
Window-to-My Environment is nationally deployed and provides citizens across the country with Federal, state, and local environmental information specific to an area of their choice.	Nationally			Deployed
Establish the baseline for the suite of indicators that are used by EPA's programs and partners in the Agency's strategic planning and performance measurement process.		1		Report

Baseline: An effort to develop a State of the Environment report based on environmental indicators was initiated in FY 2002.

#### Information Security

In 2005 OMB reports that all EPA information systems meet/exceed established standards for security.

In 2004 OMB reports that all EPA information systems meet/exceed established standards for security.

In 2003 OMB reported that all EPA information systems meet/exceed established standards for security.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Percent compliance with criteria used by OMB to assess Agency security programs reported annually to OMB under Federal Information Security Management Act/Govt. Information Security Reform Act.	75	75	75	Percent
Percent of intrusion detection monitoring sensors installed and operational.	100			Percent

Baseline: In FY 2002, the Agency started planning an effort to expand and its strengthen information security infrastructure.

#### Agency-Wide IT Infrastructure

In 2004 Manage Agency-wide information technology assets consistent with the Agency's multi-year strategic information resource management plan (Enterprise Architecture) reflecting current Agency mission priorities and resources.

Performance Measures:	FY 2003 Actuals	FY 2004 Pres. Bud.	FY 2005 Pres. Bud.	
Designated upgrades to technology infrastructure and enterprise information tools occur on schedule per plan.		1		Report

Baseline: The baseline for this program is zero, as it will just begin in FY 2004.

### **VERIFICATION AND VALIDATION OF PERFORMANCE MEASURES**

#### **FY 2005 Performance Measures:**

- **The Central Data Exchange (CDX) will fully support electronic data exchange requirements for major EPA environmental systems, enabling faster receipt, processing, and quality checking of data.**

- States will be able to exchange data with CDX through state nodes in real time, using new web-based data standards that allow for automated data-quality checking.
- Private sector, local and tribal governments, and other regulated entities, including laboratories, will choose to use CDX to report environmental data electronically to EPA, taking advantage of automated data quality checks and on-line customer support.
- Customer-help desk calls resolved in a timely fashion.

**Performance Database:** CDX Customer Registration Subsystem.

**Data Source:** Data are provided by state, private sector, local, and tribal government CDX users.

**Methods, Assumptions, and Suitability:** All CDX users must register before they can begin reporting to the system. The records of registration provide an up-to-date, accurate count of users. Users identify themselves with several descriptors.

**QA/QC Procedures:** QA/QC have been performed in accordance with a CDX Quality Assurance Plan [*Quality Assurance Project Plan for the Interim Central Data Exchange System*. Document number: EP005T7. Sept. 17, 2001] and the CDX Design Document v.3, Appendix K registration procedures [*Central Data Exchange Electronic Reporting Prototype System Requirements: Version 3*; Document number: EP005S3. December 2000]. Specifically, data are reviewed for authenticity and integrity. There are plans to update these procedures during FY 2004 to incorporate new technology and policy requirements. Automated edit checking routines are performed in accordance with program specifications and CDX quality assurance guidance [*Quality Assurance Project Plan for the Interim Central Data Exchange System*. Document number: EP005T7. Sept. 17, 2001].

**Data Quality Reviews:** CDX successfully completed independent security risk assessment in the summer 2001. In addition, routine audits of CDX data collection procedures and customer service operations are provided weekly to CDX management and staff for review. Included in these reports are performance measures such as the number of CDX new users, number of submissions to CDX, number of help desk calls, number of calls resolved, ranking of errors/problems, and actions taken. These reports are reviewed and actions discussed at weekly project meetings.

**Data Limitations:** The CDX system collects, reports, and tracks performance measures on data quality and customer service. While its automated routines are sufficient to screen systemic problems/issues, a more detailed assessment of data errors/problems generally requires a secondary level of analysis that takes time and human resources.

**Error Estimate:** CDX incorporates a number of features to reduce errors, such as pre-populating data whenever possible, edit checks, etc. The possibility of an error in the number of states registered for CDX, e.g., double-counting of some sort, is extremely remote (far less than 1 %).

**New/Improved Performance Data or Systems:** CDX coalesces the registration/submission requirements of many different state-to-EPA, private sector-to-EPA, and local and tribal governments-to-EPA data exchanges into a single web-based system. The system allows for a more consistent and comprehensive management and performance tracking of many different external customers. The creation of a centralized registration system, coupled with the use of web forms and web-based approaches to submitting the data, invite opportunities to introduce automated quality assurance procedures for the system and reduce human error.

**References:** CDX website ([www.epa.gov/cdx](http://www.epa.gov/cdx)).

**FY 2005 Performance Measure:** Establish an improved suite of environmental indicators for use by EPA's programs and partners in the Agency's strategic planning and performance measurement process.

**Performance Database:** Initial collection of indicators compiled during the drafting of EPA's "Report on the Environment," supplemented by indicators currently used in the Agency's strategic planning and performance measurement process (e.g., EPA's Strategic Plan, Annual Performance Plan, Annual Performance Report, Annual

Operating Plan, and National Environmental Performance Partnership Agreements), will comprise an Agency baseline of indicators.

**Methods, Assumptions and Suitability:** The Office of Environmental Information (OEI), the Office of Research and Development (ORD), and the Office of the Chief Financial Officer (OCFO) will review the planning documents and establish a baseline of indicators in consultation with key Agency steering committees.

**QA/QC Procedures:** As the baseline is established, protocols also will be developed to ensure that the data supporting the indicators are accurate and complete.

**Data Quality Reviews:** To be determined and conducted once a baseline has been established.

**Data Limitations:** The challenge is to develop suitable indicators with sufficient data of known quality.

**Error Estimate:** To be determined.

**New/Improved Performance Data or Systems:** The baseline indicators and supporting data are in development.

**References:** EPA's "Draft Report on the Environment" and "Technical Support Document" (EPA pub. no. 260-R-02-006). Draft Report on the Environment Technical Document (Publication # EPA 600-R-03-050). Both Dated June 2003

**Web site:** <http://www.epa.gov/indicators/roe/html/roePDF.htm>

**FY 2005 Performance Measure: Percent compliance with criteria used by OMB to assess Agency security programs reported annually to OMB under the Federal Information Security Management Act (FISMA).**

**Performance Database:** Automated Security Self-Evaluation and Remediation Tracking (ASSERT) database.

**Data Source:** Information technology (IT) system owners in Agency Program and Regional offices.

**Methods, Assumptions, and Suitability:** Annual IT security assessments are conducted using the methodology mandated by the Office of Management and Budget (OMB), the National Institute of Standards, and Technology (NIST) Security Self Assessment Guide for Information Technology Systems. ASSERT has automated and web-enabled this methodology.

**QA/QC Procedures:** Automated edit checking routines are performed in accordance with ASSERT design specifications to ensure answers to questions in ASSERT are consistent. Independent evaluations are conducted on the assessments by both the Office of Inspector General consistent with §3545 FISMA and the Chief Information Officer's information security staff. The Agency certifies results to OMB in the annual FISMA report.

**Data Quality Reviews:** Program offices are required to develop security action plans composed of tasks and milestones to address security weakness. Program offices self-report progress toward these milestones. EPA's information security staff review these self-reported data, conduct independent validation of a sample, and discuss anomalies with the submitting office.

**Data Limitations:** Resources constrain the security staff's ability to validate all of the self-reported compliance data submitted by program systems' managers.

**Error Estimate:** N/A

**New/Improved Data or Systems:** N/A

**References:** Annual Information Security Reports to OMB: <http://intranet.epa.gov/itsecurity/progreviews/>; OMB guidance memorandum: <http://www.whitehouse.gov/omb/memoranda/2003.html>; ASSERT web site: <https://cfint.rtpnc.epa.gov/assert/>; NIST Special Publication 800-26, *Security Self-Assessment Guide for Information*

*Technology Systems*, November 2001: <http://csrc.nist.gov/publications/nistpubs/index.html>; and, Federal Information Security Management Act, PL107-347: [http://csrc.nist.gov/policies/FISMA\\_final.pdf](http://csrc.nist.gov/policies/FISMA_final.pdf).

**FY 2005 Performance Measures: Responders to the baseline questionnaire on customer satisfaction on the EPA Website report overall satisfaction with their visit to EPA.GOV. baseline levels.**

**Performance Database:** Customer Satisfaction Questionnaire

**Data Source:** Data are provided by customers completing the questionnaire.

**Methods, Assumptions, and Suitability:** Customers visiting the EPA's Website are given an opportunity to provide feedback by completing a short customer satisfaction questionnaire. In an effort to maintain the objectivity of the questionnaire results, EPA has contracted with an independent group, which specializes in hosting online surveys, to gather and analyze data. No personal information is collected as a result of completing the survey.

**QA/QC Procedures:** The EPA Website provides access to information produced by the EPA's program and Regional offices. Information published on the Website must go through a product review conducted by the program/Region producing the information. Additionally, all information must adhere to Agency Website policies and guidance. The customer satisfaction questionnaire database has controls in place to prevent repeated entries.

**Data Quality Reviews:** An annual EPA Website accounts audit is conducted by The Office of Environmental Information's (OEI's) Office of Information Analysis and Access and requires EPA's program offices to review the content and quality of their material and to re-authorize who can post to their Web area. The customer satisfaction database is reviewed quarterly.

**Data Limitations:** The customer satisfaction questionnaire is voluntary.

**Error Estimate:** N/A

**New/Improved Data or Systems:** The EPA Website was converted to a single look and feel that provides a more consistent approach to presenting information on the Web. In FY 2004, to help users access the information more easily, and to provide information in an integrated manner, the website's search engine will be replaced.

**References:** EPA Web site ([www.epa.gov](http://www.epa.gov))

### **EFFICIENCY MEASURES/MEASURE DEVELOPMENT PLANS**

- EPA plans to track the costs incurred for the Central Data Exchange (CDX) relative to production system, state node, and CDX user.
- Regarding information security, the Agency will measure the number of incidents that occurred from known threats that should have been anticipated relative to the number of Computer Emergency Response Team (CERT) advisories implemented within EPA's infrastructure.

### **COORDINATION WITH OTHER AGENCIES**

EPA works with its state partners under the State/EPA Information Management Workgroup and the Network Steering Board. This workgroup has created action teams to jointly develop key information projects. Action teams consist of EPA, state, and Tribal members. They are structured to result in consensus solutions to information management issues which affect states, tribes, and EPA, such as the development and use of environmental data standards, and implementation of new technologies for collecting and reporting information.

EPA also participates in multiple workgroups with other Federal agencies including the United States Geological Survey (USGS), Federal Geographic Data Committee (FGDC), and CIO Council. The Agency is actively involved with several agencies in developing government-wide e-government reforms, and continues to participate with the Office of Homeland Security and national security agencies on homeland security. These multi-



agency workgroups are designed to ensure consistent implementation of standards and technologies across Federal agencies in order to support efficient data sharing.

EPA will continue to coordinate with key Federal data sharing partners including the USGS, Bureau of Indian Affairs, and the Fish and Wildlife Service as well as state and local data sharing partners in public access information initiatives. With respect to community-based environmental programs, EPA coordinates with state, Tribal, and local agencies, and with non-governmental organizations, to design and implement specific projects.

The nature and degree of EPA's interaction with other entities varies widely, depending on the nature of the project and the location(s) in which it is implemented. EPA is working closely with the FGDC and the USGS to develop and implement the infrastructure for national spatial data. EPA is coordinating its program with other state and Federal organizations, including the Council for Environmental Quality and the Environmental Council of States, to insure that the appropriate context is represented for observed environmental and human health conditions.

EPA will continue to coordinate with other Federal agencies on IT infrastructure and security issues by participating on the Federal CIO Council. For example, EPA (along with the Department of Labor) recently co-chaired a Federal government committee on security. EPA will continue to participate on the CIO Council committees on security, capital planning, workforce development, interoperability, and e-Gov, and will engage with other Federal agencies in ensuring the infrastructure for homeland security.

EPA is a leader in many areas, such as E-dockets. EPA has a modern well-supported system that can host other Agencies' docket systems, thereby reducing their costs to develop or deploy such a system. EPA will also continue to coordinate with state agencies on IT infrastructure and security issues through state organizations such as the National Association of State Information Resources Executives. In addition, EPA, along with other Federal agencies, is involved in the OMB led e-Gov initiatives. As part of this effort, EPA, OMB, the Department of Transportation, and ten other Federal agencies are examining the expansion of EPA's Regulatory Public Access System, a consolidated on-line rule-making docket system providing a single point of access for all Federal rules. EPA is also coordinating efforts with the National Archives and Records Administration on an e-records initiative. This effort is aimed at establishing uniform procedures, requirements, and standards for electronic record keeping of Federal e-Gov records.

## **STATUTORY AUTHORITIES**

Clean Air Act and amendments  
Clean Water Act and amendments  
Clinger-Cohen Act  
Comprehensive Environmental Response, Compensation, and Liability Act  
Computer Security Act  
Electronic Freedom of Information Act  
Emergency Planning and Community Right-to-Know  
Environmental Research, Development, and Demonstration Act  
Federal Advisory Committee Act  
Federal Food, Drug and Cosmetic Act  
Federal Insecticide, Fungicide, and Rodenticide Act  
Food Quality Protection Act  
Freedom of Information Act  
Government Information Security Reform Act  
Government Management Reform Act  
Government Performance and Results Act  
Paperwork Reduction Act  
Privacy Act  
Resource Conservation and Recovery Act  
Safe Drinking Water Act and amendments  
Superfund Amendments and Re-authorization Act  
Toxic Substance Control Act

**Office of the Chief Financial Officer**

<b>Program Project</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>
Central Planning, Budgeting, and Finance	\$74,889.4	\$86,143.4	\$86,655.3

Resources will support activities related to maintaining the highest-quality standards for environmental leadership and for effective internal management and fiscal responsibility of Agency resources. Activities under this program/project will support the management of integrated planning, budgeting, financial management, performance and accountability processes and systems to ensure effective stewardship of resources. In addition, this program/project supports a full range of national, local and specialized accounting, financial and customer services through the Agency's four Finance Centers.

**ANNUAL PERFORMANCE GOALS AND MEASURES****Strengthen EPA's Management**

In 2005 Strengthen EPA's financial management services in support of the Agency's mission while addressing the challenges included in the President's Management Agenda

In 2004 Strengthen EPA's financial management services in support of the Agency's mission while addressing the challenges included in the President's Management Agenda

In 2003 Strengthen EPA's financial management services in support of the Agency's mission while addressing the challenges included in the President's Management Agenda

<b>Performance Measures:</b>	<b>FY 2003 Enacted</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Request</b>	
Agency audited Financial Statements are timely, and receive an unqualified opinion.	1	1	1	Financial statement

Baseline: The Agency's audited FY 2004 Financial Statements will be submitted on time, in accordance with the new accelerated schedule, to OMB and receive an unqualified opinion.

**VALIDATION AND VERIFICATION OF PERFORMANCE GOALS**

**Performance Measure: Agency's audited Financial Statements meet the new accelerated schedule and receive an unqualified opinion.**

**Performance Database:** N/A

**Data Source:** OMB acknowledgement of receipt of financial statements, OIG audit report.

**QA/QC Procedures:** OCFO management review, OIG audit

**Data Quality Review:** OIG audit. The annual financial audit opinion, rendered by the OIG, is a gauge of the accuracy and fair presentation of the financial activity and financial balances of the Agency. The unqualified opinion is rendered by the OIG.

**Data Limitations:** N/A

**New/Improved Data or Systems:** N/A

**References:** Fiscal Year 2003 EPA Annual Report

### **COORDINATION WITH OTHER AGENCIES**

EPA will develop and issue guidance for executive agencies to use when purchasing goods and services in response to Executive Order 13101 to show a preference for "environmentally preferable" products and services.

To achieve its mission, OCFO has undertaken specific coordination efforts with Federal and state agencies and departments through two separate vehicles: 1) the National Academy of Public Administration's Consortium on Improving Government Performance; 2) active contributions to standing interagency management committees, including the Chief Financial Officers Council and the Federal Financial Managers' Council. These groups are focused on improving resources management and accountability throughout the Federal government. OCFO also coordinates appropriately with Congress and other Federal agencies, such as Department of Treasury, Office of Management of Budget, and the General Accounting Office.

### **STATUTORY AUTHORITY**

Annual Appropriations Act  
Clinger-Cohen Act  
Comprehensive Environmental Response, Compensation and Liability Act  
Computer Security Act  
E – Government Act of 2002  
Electronic Freedom of Information Act  
EPA's Environmental Statutes, and the Federal Grant and Cooperative Agreement Act  
Federal Activities Inventory Reform Act (FAIR)  
Federal Acquisition Regulations (FAR), contract law, and EPA's Assistance Regulations (40CFR Parts 30, 31, 35, 40, 45, 46, 47)  
Federal Manager's Financial Integrity Act (1982)  
Freedom of Information Act  
Government Management Reform Act (1994)  
Improper Payments Information Act  
Inspector General Act of 1978 and Amendments of 1988  
Paperwork Reduction Act  
Privacy Act  
The Chief Financial Officers Act (1990)  
The Government Performance and Results Act (1993)  
The Prompt Payment Act (1982)  
Title 5 United States Code

**Office of International Activities**

<b>Program Project</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>
Homeland Security: Protection of EPA Personnel and Infrastructure	\$0.0	\$0.0	\$35.0

**Office of the Administrator**

<b>Program Project</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>
Homeland Security: Communication and Information	\$874.0	\$0.0	\$500.0
Congressional, Intergovernmental, External Relations	\$52,341.0	\$45,198.9	\$46,082.8
Administrative Law	\$4,464.4	\$4,705.1	\$4,929.3
Civil Rights / Title VI Compliance	\$11,770.7	\$12,113.8	\$12,414.2
Regional Science and Technology	\$2,840.1	\$3,609.2	\$3,626.2
Science Advisory Board	\$3,748.7	\$4,409.0	\$4,757.1
Small Minority Business Assistance	\$2,105.8	\$2,214.5	\$2,282.0

**Office of the General Counsel**

<b>Program Project</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>
Alternative Dispute Resolution	\$877.9	\$1,153.4	\$1,889.6
Legal Advice: Environmental Program	\$33,913.7	\$34,722.9	\$35,522.8
Legal Advice: Support Program	\$8,871.3	\$12,240.9	\$12,521.7

The Office of General Counsel (OGC) and the Offices of Regional Counsel (ORCs) will provide legal representational services, legal counseling, and legal support for all Agency environmental activities and for all activities necessary for the operation of the Agency. Additionally, these resources are used by the OGC to provide environmental Alternative Dispute Resolution services.

**Office of the Inspector General**

<b>Program Project</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>
Audits, Evaluations, and Investigations	\$46,612.9	\$50,021.3	\$51,135.6

All Office of the Inspector General (OIG) work is planned based on the anticipated value toward influencing resolution of the Agency's major management challenges, reducing risk, improving practices and program operations, and saving taxpayer dollars while leading to the attainment of EPA's Strategic Goals. Our strategic plan aligns OIG products and services with current Agency goals and priorities based upon emerging issues, legislative initiatives, needs of various customers, clients and stakeholders, and multiple dynamic external factors.

## **ANNUAL PERFORMANCE GOALS AND MEASURES**

### **Fraud Detection and Deterrence**

- In 2005 In 2005, the OIG will improve Agency business and operations by identifying 240 recommendations, potential savings and recoveries equal to 200 percent of the annual investment in the OIG, 102 actions for better business operations, and 80 criminal, civil, or administrative actions reducing risk or loss of integrity.
- In 2004 In 2004, the OIG will improve Agency business and operations by identifying 240 recommendations, contributing to potential savings and recoveries equal to 150 percent of the annual investment in the OIG, 100 actions for greater efficiency and effectiveness, and 80 criminal, civil, or administrative actions reducing the risk of loss or integrity.
- In 2003 In the Annual Performance Report, our results for APG 2 were combined with the results for APG 1.

<b>Performance Measures:</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>	
Number of improved business practices and systems.	138	100	102	Improvements
Number of criminal, civil, and administrative actions.	83	80	80	Actions
Number of business recommendations, risks, and best practices identified.	264	240	240	Recommendations
Return on the annual dollar investment in the OIG.	856	150	200	Percent

Baseline: In FY 2002, the OIG established a baseline of 150 business recommendations, 70 improved business practices, and 50 criminal, civil, and administrative actions for improving Agency management; and a 100% potential dollar return on the investment in the OIG from savings and recoveries.

### **Audit and Advisory Services**

- In 2005 In 2005, the OIG will contribute to improved environmental quality and human health by identifying 95 environmental recommendations, best practices, risks, or opportunities for improvement; contributing to the reduction or elimination of 23 environmental or infrastructure security risks; and 45 actions influencing environmental improvements or program changes.
- In 2004 In 2004, the OIG will improve environmental quality and human health by identifying 80 recommendations, risks, or best practices; contributing to the reduction or elimination of 18 environmental risks; and 42 actions influencing positive environmental or health impacts.

In 2003 Improve environmental quality and human health by identifying 48 environmental recommendations, risks, and best practices; contributing to the reduction of 9 environmental risks, and 47 actions influencing positive environmental or health impacts.

<b>Performance Measures:</b>	<b>FY 2003 Actuals</b>	<b>FY 2004 Pres. Bud.</b>	<b>FY 2005 Pres. Bud.</b>	
Number of environmental risks reduced.	9	18	23	Risks
Number of environmental actions.	47	42	45	Improvements
Number of environmental recommendations, risks, and best practices identified.	48	80	95	Recommendations

Baseline: In FY 2002, the OIG established a baseline of: 75 recommendations, best practices and risks identified contributing to improved Agency environmental goals; 15 environmental actions; and the reduction of 15 environmental risks. The FY 2004 performance measure targets for environmental measures were revised downward due to actual experience gained within the past year.

## **VERIFICATION AND VALIDATION OF PERFORMANCE MEASURES**

**FY 2005 Performance Measures:** Number of actions taken for environmental improvement, reductions in environmental risks, and recommendations made for environmental improvement. Number of actions taken for improvement in business practices, criminal/civil/administrative actions, potential dollar return, and recommendations made for improved business practices.

**Performance Database:** The OIG Performance Measurement and Results System is used to capture and aggregate information on an array of measures in a logic model format, linking immediate outputs with longer term intermediate outcomes and results. Because intermediate and long-term results may not be realized for several years, only verifiable results are reported in the year completed, while others remain prospective until completed and verified. Database measures include numbers of: 1) recommendations for environmental and management improvement; 2) legislative, regulatory policy, directive, or process changes; 3) environmental and integrity risks identified, reduced or eliminated; 4) best practices identified and transferred; 5) examples of environmental and management improvements; and 6) monetary value of funds questioned, saved, fined or recovered.

**Data Source:** Designated OIG staff enter data into the system. Data are from OIG performance evaluations, audits, research, court records and from EPA documents, data systems and reports that track environmental and management actions or improvements made, risks reduced or avoided. OIG also collects independent data from EPA's partners and stakeholders.

**Methods, Assumptions and Suitability:** OIG performance results are a chain of linked events, starting with OIG outputs (e.g., recommendations, reports of best practices and identification of risks). The subsequent actions taken by EPA or its stakeholders/partners, as a result of OIG's outputs, to improve operational efficiency and environmental program delivery are reported as intermediate outcomes. The resulting improvements in operational efficiency, risks reduced/eliminated, and conditions of environmental and human health are reported as outcomes. By using common categories of performance measures, quantitative results can be summed and reported. Each outcome is also qualitatively described, supported and linked to an OIG product or output. The OIG can only control its outputs, and has no authority, beyond its influence, to implement its recommendations.

**QA/QC Procedures:** All performance data submitted to the database require at least one verifiable source assuring data accuracy and reliability. Data quality assurance and control are performed as an extension of OIG products and services, subject to rigorous compliance with the Government Auditing Standards of the Comptroller General, and regularly reviewed by OIG management, an independent OIG Management Assessment Review Team, and external

independent peer reviews. The statutory mission of the OIG is to independently evaluate the integrity of Agency operations and reporting systems. The OIG has also issued its own data quality policy and procedures.

**Data Quality Reviews:** There have not been any previous audit findings or reports by external groups on data or database weaknesses in the OIG Performance Measurement and Results System.

**Data Limitations:** All OIG staff are responsible for data accuracy in their products and services. However, there is a possibility of incomplete, miscoded, or missing data in the system due to human error or time lags. Data supporting achievement of results are often from indirect or external sources, with their own methods or standards for data verification/validation.

**Error Estimate:** The error rate for outputs is estimated at +/-5%, while the error rate for reported outcomes is estimated to be at least +/-10%.

**New/Improved Data or Systems:** The OIG developed the Performance Measurement and Results System as a prototype in FY 2001 and anticipates replacing it in FY 2004 with a more sophisticated system designed to integrate data collection, and analysis. We also expect the quality of the data to improve as staff gains greater familiarity with the system and measures. This system is a best practice in government for linking an array of measures from outputs to eventual results and impacts. With enhanced linkages to customer satisfaction results and resource investments, it will provide a full balanced scorecard with return on investment information for accountability and decision-making.

**References:** All OIG non-restricted performance results are referenced in the OIG Performance Measurement and Results System with supporting documentation available either through the OIG Web Site or other Agency databases. The OIG Web Site is [www.epa.gov/oigearth](http://www.epa.gov/oigearth).

### **Coordination with Other Agencies**

The EPA Inspector General is a member of the President's Council on Integrity and Efficiency (PCIE), an organization comprised of Federal Inspectors General (IG). The PCIE coordinates and improves the way IGs conduct audits and investigations, and completes projects of government-wide interest. The EPA IG chairs the PCIE's Environmental Consortium, GPRA Roundtable, and Human Resources Committee. The Consortium, which seeks effective solutions to cross-cutting environmental issues, currently includes representatives from 19 executive agencies and GAO. The OIG Computer Crimes Unit coordinates activities with other law enforcement organizations that have computer crimes units such as the Federal Bureau of Investigation, the Secret Service, and the Department of Justice. In addition, the OIG participates with various inter-governmental audit forums, professional associations, and other cross-governmental forums to exchange information, share best practices, and directly collaborate efforts.

### **Statutory Authorities**

Chief Financial Officers Act  
Comprehensive Environmental Response, Compensation and Liability Act  
Federal Financial Management Improvement Act  
Federal Information Security Management Act  
Food Quality Protection Act  
Government Management Reform Act  
Inspector General Act, as amended  
Reports Consolidation Act  
Single Audit Act